



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 4, 1998

### **H.R. 4259**

#### **Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998**

*As ordered reported by the House Committee on Government Reform and Oversight  
on July 23, 1998*

#### **SUMMARY**

H.R. 4259 would authorize appropriations to the Haskell Indian Nations University (HINU) and the Southwestern Indian Polytechnic Institute (SIPI), both owned and operated by the federal government, for 1999 and each fiscal year thereafter. In addition, the bill would authorize each institution to conduct a five-year demonstration project to test the feasibility and desirability of new personnel management practices. The projects would have to commence within two years of the enactment of H.R. 4259 and would terminate five years later. Appropriations would be authorized in an amount equal to the amount of funds provided in fiscal year 1998 plus such additional sums as may be necessary to conduct the demonstration projects. According to the Department of the Interior, the two universities received a total of \$12.7 million in 1998.

CBO estimates that implementing H.R. 4259 would result in discretionary spending of \$67 million over the 1999-2003 period, assuming appropriation of the necessary sums. Almost all of the estimated cost is attributable to reauthorizing appropriations to the universities. In addition, CBO estimates that the demonstration projects that would be authorized by H.R. 4259 would increase costs above the amounts provided to HINU and SIPI in fiscal year 1998. The extent of the increase would depend on how the universities use the bill's broad authority to alter their personnel practices. On the one hand, the universities could offer higher salaries to instructors, which would increase costs. On the other hand, the universities could use the authority to streamline certain recordkeeping requirements or to assist them in reducing overall staffing levels, both of which would decrease costs. Subject to the availability of funds, CBO estimates that the demonstration projects would increase personnel costs at the two universities by less than \$500,000 a year over fiscal years 1999 through 2001 and by less than \$1 million in each of fiscal years 2002 and 2003.

Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 4259 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4259 is shown in the following table. For the purposes of this estimate, CBO assumes that the amount provided to the two universities in fiscal year 1998, increased slightly for the costs to carry out the demonstration projects, will be appropriated by the start of each fiscal year and that outlays will follow the historical spending pattern of the two universities. The costs of this legislation fall within budget function 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
HINU/SIPI Spending Under Current Law						
Budget Authority <sup>a</sup>	13	0	0	0	0	0
Estimated Outlays	13	1	0	0	0	0
Proposed Changes						
Estimated Authorization Level	0	13	13	13	14	14
Estimated Outlays	0	12	13	13	14	14
HINU/SIPI Spending Under H.R. 4259						
Estimated Authorization Level <sup>a</sup>	13	13	13	13	14	14
Estimated Outlays	13	13	13	13	14	14
a. The 1998 level is the amount appropriated for that year.						

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4259 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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